

# **City of Colorado Springs**

Single Audit Reports

Year Ended December 31, 2021

**City of Colorado Springs**  
**Year Ended December 31, 2021**

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# City of Colorado Springs

## Schedule of Expenditures of Federal Awards

### Year Ended December 31, 2021

Direct Grant/Program Title	Direct/Pass-Through	Direct Agency/Pass-through Entity	Assistance Listing Number	Identifying Grant Number	Total Program Disbursements or Expenditures	Amount Provided to Subrecipients
<b>U.S. DEPARTMENT OF DEFENSE</b>						
Community Economic Adjustment Assistance for Responding to Threats to the Resilience of a Military Ins	Direct	U.S. Department of Defense	12.003	MIR1341-21-02	\$ 12,788	\$ -
<i>Community Economic Adjustment Assistance for Responding to Threats to the Resilience of a Military Installation Total</i>					<u>12,788</u>	<u>-</u>
<b>Total U.S. Department of Defense</b>					<u>\$ 12,788</u>	<u>\$ -</u>
Community Development Block Grants/Entitlement Grants	Direct	U.S. Department of Housing and Urban Development	14.218	B-16-MC-08-0004	\$ 26,908	\$ 25,092
Community Development Block Grants/Entitlement Grants	Direct	U.S. Department of Housing and Urban Development	14.218	B-17-MC-08-0004	136,172	136,172
Community Development Block Grants/Entitlement Grants	Direct	U.S. Department of Housing and Urban Development	14.218	B-18-MC-08-0004	378,451	270,242
Community Development Block Grants/Entitlement Grants	Direct	U.S. Department of Housing and Urban Development	14.218	B-19-MC-08-0004	294,606	288,003
Community Development Block Grants/Entitlement Grants	Direct	U.S. Department of Housing and Urban Development	14.218	B-20-MC-08-0004	1,531,653	1,363,091
COVID-19 - Community Development Block Grants/Entitlement Grants	Direct	U.S. Department of Housing and Urban Development	14.218	B-20-MW-08-0004	1,757,341	1,724,499
Community Development Block Grants/Entitlement Grants	Direct	U.S. Department of Housing and Urban Development	14.218	B-21-MC-08-0004	792,583	309,569
<i>CDBG - Entitlement Grants Cluster Total</i>					<u>4,917,714</u>	<u>4,116,668</u>
Emergency Solutions Grant Program	Direct	U.S. Department of Housing and Urban Development	14.231	E-19-MC-08-0004	2,655	2,655
Emergency Solutions Grant Program	Direct	U.S. Department of Housing and Urban Development	14.231	E-20-MC-08-0004	157,328	150,603
COVID-19 - Emergency Solutions Grant Program	Direct	U.S. Department of Housing and Urban Development	14.231	E-20-MW-08-0004	2,903,038	1,403,370
Emergency Solutions Grant Program	Direct	U.S. Department of Housing and Urban Development	14.231	E-21-MC-08-0004	135,206	130,775
<i>Emergency Solutions Grant Program Total</i>					<u>3,198,227</u>	<u>1,687,403</u>
Home Investment Partnerships Program	Direct	U.S. Department of Housing and Urban Development	14.239	M-17-MC-08-0203	34,855	34,855
Home Investment Partnerships Program	Direct	U.S. Department of Housing and Urban Development	14.239	M-18-MC-08-0203	390,057	390,000
Home Investment Partnerships Program	Direct	U.S. Department of Housing and Urban Development	14.239	M-19-MC-08-0203	345,420	190,386
Home Investment Partnerships Program	Direct	U.S. Department of Housing and Urban Development	14.239	M20-MC080203	254,947	199,959
Home Investment Partnerships Program	Direct	U.S. Department of Housing and Urban Development	14.239	M-21-MC-08-0203	144,500	144,500
COVID-19 - Home Investment Partnerships Program	Direct	U.S. Department of Housing and Urban Development	14.239	M-21-MP-080203	2,593	-
<i>Home Investment Partnerships Program Total</i>					<u>1,172,372</u>	<u>959,700</u>
<b>Total U.S. Department of Housing and Urban Development</b>					<u>\$ 9,288,313</u>	<u>\$ 6,763,771</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>						
COVID-19 - Coronavirus Emergency Supplemental Funding Program	Direct	U.S. Department of Justice	16.034	2020-VD-BX-1340	\$ 151,096	\$ -
<i>Coronavirus Emergency Supplemental Funding Program Total</i>					<u>151,096</u>	<u>-</u>
Missing Children's Assistance	Direct	U.S. Department of Justice	16.543	2018-MC-FX-K027	574,454	311,638
<i>Missing Children's Assistance Total</i>					<u>574,454</u>	<u>311,638</u>
Crime Victim Assistance	Pass-Through	Colorado Department of Public Safety	16.575	2020-VA-21-522-04	311,620	-
<i>Crime Victim Assistance Total</i>					<u>311,620</u>	<u>-</u>
Violence Against Women Formula Grants	Pass-Through	Colorado Department of Public Safety	16.588	2020-VW-21-528-04	83,073	-
<i>Violence Against Women Formula Grants Total</i>					<u>83,073</u>	<u>-</u>
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	Direct	U.S. Department of Justice	16.590	2017-WE-AX-0031	284,480	121,133
<i>Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program Total</i>					<u>284,480</u>	<u>121,133</u>
Project Safe Neighborhoods	Direct	U.S. Department of Justice	16.609	2018-GP-19-0002	16,105	-
<i>Project Safe Neighborhoods</i>					<u>16,105</u>	<u>-</u>

# City of Colorado Springs

## Schedule of Expenditures of Federal Awards (Continued)

### Year Ended December 31, 2021

Direct Grant/Program Title	Direct/Pass-Through	Direct Agency/Pass-through Entity	Assistance Listing Number	Identifying Grant Number	Total Program Disbursements or Expenditures	Amount Provided to Subrecipients
Edward Byrne Memorial Justice Assistance Grant Program	Direct	U.S. Department of Justice	16.738	2019-DJ-BX-0751	706	701
Edward Byrne Memorial Justice Assistance Grant Program	Pass-Through	Colorado Department of Public Safety	16.738	DJ-18-01-10-2	10,954	-
Edward Byrne Memorial Justice Assistance Grant Program	Direct	U.S. Department of Justice	16.738	2020-DJ-BX-0304	93,222	31,570
Edward Byrne Memorial Justice Assistance Grant Program	Direct	U.S. Department of Justice	16.738	15PBJA-21-GG-01272-JAGX	33,616	-
<i>Edward Byrne Memorial Justice Assistance Grant Program Total</i>					<u>138,498</u>	<u>32,271</u>
 DNA Backlog Reduction Program	Direct	U.S. Department of Justice	16.741	2019-DN-BX-0023	125,836	-
DNA Backlog Reduction Program	Direct	U.S. Department of Justice	16.741	2020-DN-BX-0034	64,527	-
<i>DNA Backlog Reduction Program Total</i>					<u>190,363</u>	<u>-</u>
 Paul Coverdell Forensic Sciences Improvement Grant Program	Direct	U.S. Department of Justice	16.742	2020-CD-BX-0057	31,711	-
<i>Paul Coverdell Forensic Sciences Improvement Grant Program Total</i>					<u>31,711</u>	<u>-</u>
 Equitable Sharing Program	Direct	U.S. Department of Justice	16.922	Not Provided	256,934	-
<i>Equitable Sharing Program Total</i>					<u>256,934</u>	<u>-</u>
<b>Total U.S. Department of Justice</b>					<u>\$ 2,038,334</u>	<u>\$ 465,042</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>						
Airport Improvement Program	Direct	U.S. Department of Transportation	20.106	3-08-0010-065-2019	\$ 39,921	\$ -
COVID-19 - Airport Improvement Program	Direct	U.S. Department of Transportation	20.106	3-08-0010-067-2020	7,495,848	-
Airport Improvement Program	Direct	U.S. Department of Transportation	20.106	3-08-0010-066-2020	17,083,877	-
COVID-19 - Airport Improvement Program	Direct	U.S. Department of Transportation	20.106	3-08-0010-072-2021	4,125,431	-
Airport Improvement Program	Direct	U.S. Department of Transportation	20.106	03-08-0010-070-2021	609,638	-
Airport Improvement Program	Direct	U.S. Department of Transportation	20.106	03-08-0010-069-2021	696,085	-
Airport Improvement Program	Direct	U.S. Department of Transportation	20.106	3-08-0010-071-2021	833,353	-
COVID-19 - Airport Improvement Program	Direct	U.S. Department of Transportation	20.106	3-08-0010-074-2021	2,604,159	-
<i>Airport Improvement Program Total</i>					<u>33,488,312</u>	<u>-</u>
 Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	TAP M240-149 (19811)	1,479	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	SAR M240-158 (19947)	10,158	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	STM M240-163 (21130)	3,217,509	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	STU M240-165 (21635)	1,509,220	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	TRG M240-175 (23057)	29,851	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	TRG M240-176 (23058)	304,911	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	AQC M240-133 (18373)	875,172	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	AQC M240-159 (19946)	2,444	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	STE M240-140 (18791)	90,171	-
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	20.205	PWQ M240-173 (22918)	351,172	-
<i>Highway Planning and Construction Cluster Total</i>					<u>6,392,087</u>	<u>-</u>
 Direct Transit — Formula Grants (Urbanized Area Formula Program)	Direct	U.S. Department of Transportation	20.507	CO-95-X023-00	10,344	-
Direct Transit — Formula Grants (Urbanized Area Formula Program)	Direct	U.S. Department of Transportation	20.507	CO-2019-010-00	120,201	-
Direct Transit — Formula Grants (Urbanized Area Formula Program)	Direct	U.S. Department of Transportation	20.507	CO-2019-010-00	61,712	-
COVID-19 - Direct Transit — Formula Grants (Urbanized Area Formula Program)	Direct	U.S. Department of Transportation	20.507	CO-2020-021-00	5,782,384	-
Direct Transit — Formula Grants (Urbanized Area Formula Program)	Direct	U.S. Department of Transportation	20.507	CO-2021-024-00	1,524,145	-
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	Direct	U.S. Department of Transportation	20.526	CO-2021-005-00	165,376	-
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	Direct	U.S. Department of Transportation	20.526	CO-2021-017-00	1,432,619	-
<i>Federal Transit Cluster Total</i>					<u>9,096,781</u>	<u>-</u>
 Enhanced Mobility of Seniors and Individuals with Disabilities	Direct	U.S. Department of Transportation	20.513	CO-2020-024	55,494	-
<i>Transit Services Programs Cluster Total</i>					<u>55,494</u>	<u>-</u>

# City of Colorado Springs

## Schedule of Expenditures of Federal Awards (Continued)

### Year Ended December 31, 2021

Direct Grant/Program Title	Direct/Pass-Through	Direct Agency/Pass-through Entity	Assistance Listing Number	Identifying Grant Number	Total Program Disbursements or Expenditures	Amount Provided to Subrecipients
Public Transportation Research, Technical Assistance, and Training	Direct	U.S. Department of Transportation	20.514	CO-2021-019-00	2,332	-
<i>Public Transportation Research, Technical Assistance, and Training Total</i>					<u>2,332</u>	<u>-</u>
State and Community Highway Safety	Pass-Through	Colorado Department of Transportation	20.600	PO411024906	62,556	-
State and Community Highway Safety	Pass-Through	Colorado Department of Transportation	20.600	22-HTS-ZL-00390/491002702	9,414	-
National Priority Safety Programs	Pass-Through	Colorado Department of Transportation	20.616	PO411024908	113,074	-
National Priority Safety Programs	Pass-Through	Colorado Department of Transportation	20.616	PO #411025996	14,311	-
<i>Highway Safety Cluster Total</i>					<u>199,355</u>	<u>-</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	Pass-Through	Colorado Department of Transportation	20.608	22-HTS-ZL-00389/491002701	19,436	-
<i>Minimum Penalties for Repeat Offenders for Driving While Intoxicated</i>					<u>19,436</u>	<u>-</u>
<b>Total U.S. Department of Transportation</b>					<u>\$ 49,253,797</u>	<u>\$ -</u>
<b>U.S. DEPARTMENT OF THE TREASURY</b>						
COVID-19 - Emergency Rental Assistance Program	Direct	U.S. Department of the Treasury	21.023	ERA-2101123345	\$ 14,156,866	\$ 14,156,866
COVID-19 - Emergency Rental Assistance Program	Direct	U.S. Department of the Treasury	21.023	ERA2-0233	25,495	-
<i>Emergency Rental Assistance Program Total</i>					<u>14,182,361</u>	<u>14,156,866</u>
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	Direct	U.S. Department of the Treasury	21.027	SLFRP0270	15,867,973	3,754,092
<i>Coronavirus State and Local Fiscal Recovery Funds Total</i>					<u>15,867,973</u>	<u>3,754,092</u>
<b>Total U.S. Department of the Treasury</b>					<u>\$ 30,050,334</u>	<u>\$ 17,910,958</u>
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES</b>						
Promotion of the Arts Grants to Organizations and Individuals	Direct	National Endowment for the Arts	45.024	1865844-62-21	\$ 1,040	\$ -
<i>Promotion of the Arts Grants to Organizations and Individuals Total</i>					<u>1,040</u>	<u>-</u>
Promotion of the Humanities Division of Preservation and Access	Direct	National Endowment for the Humanities	45.149	PF-266723-19	218,902	-
<i>Promotion of the Humanities Division of Preservation and Access Total</i>					<u>218,902</u>	<u>-</u>
<b>Total National Endowment for the Humanities</b>					<u>\$ 219,942</u>	<u>\$ -</u>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>						
Brownfields Assessment and Cleanup Cooperative Agreements	Direct	U.S. Environmental Protection Agency	66.818	96896301	\$ 224,812	\$ -
<i>Brownfields Assessment and Cleanup Cooperative Agreements Total</i>					<u>224,812</u>	<u>-</u>
<b>Total U.S. Environmental Protection Agency</b>					<u>\$ 224,812</u>	<u>\$ -</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>						
Public Health Emergency Preparedness	Pass-Through	Colorado Department of Public Health and Environment	93.069	CT 2020*519	\$ 247,558	\$ 25,000
<i>Public Health Emergency Preparedness Total</i>					<u>247,558</u>	<u>25,000</u>
National Bioterrorism Hospital Preparedness Program	Pass-Through	Colorado Department of Public Health and Environment	93.889	PO,FHJA,202000014142	24,651	-
<i>National Bioterrorism Hospital Preparedness Program Total</i>					<u>24,651</u>	<u>-</u>
<b>Total U.S. Department of Health and Human Services</b>					<u>\$ 272,209</u>	<u>\$ 25,000</u>
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>						
High Intensity Drug Trafficking Areas Program	Direct	Office of National Drug Control Policy	95.001	G21RM0049A	\$ 228,953	\$ 7,095
High Intensity Drug Trafficking Areas Program	Direct	Office of National Drug Control Policy	95.001	G21RM0049A	219,452	107,523
<i>High Intensity Drug Trafficking Areas Program Total</i>					<u>448,405</u>	<u>114,618</u>
<b>Total Executive Office of the President</b>					<u>\$ 448,405</u>	<u>\$ 114,618</u>

See Notes to Schedule of Expenditures of Federal Awards

# City of Colorado Springs

## Schedule of Expenditures of Federal Awards (Continued)

### Year Ended December 31, 2021

Direct Grant/Program Title	Direct/Pass-Through	Direct Agency/Pass-through Entity	Assistance Listing Number	Identifying Grant Number	Total Program Disbursements or Expenditures	Amount Provided to Subrecipients
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>						
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Pass-Through	Colorado Department of Public Safety	97.036	FEMA-DR-4229-CO: 15-D4229-003	\$ 424,995	\$ -
<i>Disaster Grants - Public Assistance (Presidentially Declared Disasters) Total</i>					<u>424,995</u>	<u>-</u>
Emergency Management Performance Grants	Pass-Through	Colorado Department of Public Safety	97.042	21EM-22-60	90,000	-
<i>Emergency Management Performance Grants Total</i>					<u>90,000</u>	<u>-</u>
Assistance to Firefighters Grant	Direct	U.S. Department of Homeland Security	97.044	EMW-2018-FO-03213	24,843	-
<i>Assistance to Firefighters Grant Total</i>					<u>24,843</u>	<u>-</u>
Pre-Disaster Mitigation	Pass-Through	Colorado Department of Public Safety	97.047	PDMC-PJ-08-CS 2018-014	458,912	-
Pre-Disaster Mitigation	Pass-Through	Colorado Department of Public Safety	97.047	17PDM19DC	16,618	-
Pre-Disaster Mitigation	Pass-Through	Colorado Department of Public Safety	97.047	18PDM20CS	208,909	-
<i>Pre-Disaster Mitigation Total</i>					<u>684,439</u>	<u>-</u>
Homeland Security Grant Program	Pass-Through	Colorado Department of Public Safety	97.067	18SHS19SCR	120,867	-
Homeland Security Grant Program	Pass-Through	Colorado Department of Public Safety	97.067	19SHS20SCR	50,089	-
Homeland Security Grant Program	Pass-Through	Colorado Department of Public Safety	97.067	20SHS21SCR	79,572	-
<i>Homeland Security Grant Program Total</i>					<u>250,528</u>	<u>-</u>
<b>Total U.S. Department of Homeland Security</b>					<u>\$ 1,474,805</u>	<u>\$ -</u>
<b>Total Direct Expenditures</b>					<u>\$ 93,283,739</u>	<u>\$ 25,279,389</u>

**City of Colorado Springs**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2021**

**(1) General**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the primary government of the City of Colorado Springs (the City) under programs of the federal government for the year ended December 31, 2021. The accompanying notes are an integral part of this Schedule. The City's reporting entity is defined in note I.A in the City's basic financial statements for the year ended December 31, 2021.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City. The Schedule includes federally funded projects received directly from federal agencies and the federal amount of pass-through awards received by the City through the State of Colorado or other non-federal entities.

**(2) Basis of Accounting**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. The City's summary of significant accounting policies is presented in note I.D to the City's basic financial statements for the year ended December 31, 2021. Such expenditures are recognized following, as applicable, the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements or reports to federal agencies. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**City of Colorado Springs**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2021**

**(3) Revolving Loan Funds**

The City has certain revolving loan funds as follows:

14.218 - Community Development Block Grants - Entitlement Grants	\$ 12,211,183
14.239 - HOME Investment Partnership Program	<u>17,272,805</u>
	<u><u>\$ 29,483,988</u></u>

These loans do not have continuing compliance requirements and have not been included in the accompanying Schedule.





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**Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with  
*Government Auditing Standards***

**Independent Auditor's Report**

Honorable Mayor and Members  
of City Council and City Auditor  
City of Colorado Springs  
Colorado Springs, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Colorado Springs (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 10, 2022. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, except the Colorado Springs Health Foundation, the Pikes Peak Regional Communications Network, the MW Retail Business Improvement District and the GSF Business Improvement District and a reference to other auditors who audited the financial statements of Colorado Springs Utilities, presented as an enterprise fund, and the financial statements of Public Authority for Colorado Energy, presented as a blended component unit (enterprise fund), as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the discretely presented component units, except the Colorado Springs Health Foundation and the Pikes Peak Regional Communications Network, were not audited in accordance with *Government Auditing Standards*, nor were the financial statements of Public Authority for Colorado Energy, presented as a blended component unit.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Honorable Mayor and Members  
of City Council and City Auditor  
City of Colorado Springs

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**FORVIS, LLP**

Colorado Springs, Colorado  
June 10, 2022



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**Report on Compliance for Each Major Federal Program;  
Report on Internal Control Over Compliance; and  
Report on Schedule of Expenditures of Federal  
Awards Required by the Uniform Guidance**

**Independent Auditor's Report**

Honorable Mayor and Members  
of City Council and City Auditor  
City of Colorado Springs  
Colorado Springs, Colorado

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Colorado Springs' (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Honorable Mayor and Members  
of City Council and City Auditor  
City of Colorado Springs

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Honorable Mayor and Members  
of City Council and City Auditor  
City of Colorado Springs

## **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Colorado Springs (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements. We have issued our report thereon dated June 10, 2022, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. Other auditors audited the financial statements of the discretely presented component units, except the Colorado Springs Health Foundation, the Pikes Peak Regional Communications Network, the MW Retail Business Improvement District and the GSF Business Improvement District and other auditors audited the financial statements of Colorado Springs Utilities, presented as an enterprise fund, and the financial statements of Public Authority for Colorado Energy, presented as a blended component unit (enterprise fund). The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and

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certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**FORVIS, LLP**

Colorado Springs, Colorado  
June 10, 2022

**City of Colorado Springs**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2021**

**Summary of Auditor's Results**

*Financial Statements*

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:  
☒ Unmodified      ☐ Qualified      ☐ Adverse      ☐ Disclaimed
  
2. Internal control over financial reporting:  
 Material weakness(es) identified?      ☐ Yes      ☒ No  
 Significant deficiency(ies) identified?      ☐ Yes      ☒ None reported  
  
 Noncompliance material to the financial statements noted?      ☐ Yes      ☒ No

*Federal Awards*

3. Internal control over major federal awards programs:  
 Material weakness(es) identified?      ☐ Yes      ☒ No  
 Significant deficiency(ies) identified?      ☐ Yes      ☒ None reported
  
4. Type of auditor's report issued on compliance for major federal award program(s):  
☒ Unmodified      ☐ Qualified      ☐ Adverse      ☐ Disclaimed
  
5. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?      ☐ Yes      ☒ No

6. Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster
14.231	Emergency Solutions Grant Program
20.106	Airport Improvement Program
20.205	Highway Planning and Construction Cluster
20.507, 20.526	Federal Transit Cluster
21.023	Emergency Rental Assistance Program
21.027	Coronavirus State and Local Fiscal Recovery Funds

**City of Colorado Springs**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2021**

7. Dollar threshold used to distinguish between Type A and Type B programs: \$2,798,512.
8. Auditee qualified as low-risk auditee? ☒ Yes ☐ No



**City of Colorado Springs**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2021**

**Financial Statement Findings**

**Reference  
Number**

**Finding**

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No matters are reportable.

**City of Colorado Springs**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2021**

**Federal Award Findings and Questioned Costs**

**Reference  
Number**

**Finding**

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No matters are reportable.

**City of Colorado Springs**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended December 31, 2021**

Reference Number	Summary of Finding	Status
No matters are reportable.		